

PHILADELPHIA INQUIRER
18 May 1987

ARTICLE APPEARED
ON PAGE 8A

Abrams is a focus of Iran-contra probe, sources say

By Alfonso Chardy
Inquirer Washington Bureau

WASHINGTON — Congressional and law enforcement investigators probing the Iran-contra affair are turning increasing attention to Elliott Abrams, the Reagan administration's top Latin American policymaker, according to administration officials and congressional aides.

Of particular interest to the investigators, according to the officials, are Abrams' relationship to Oliver L. North, his seemingly misleading statements to Congress on North's secret network to aid the Nicaraguan contras, and his role in soliciting contra aid from foreign countries.

The investigators also are looking at Abrams' role in supervising a State Department agency that provided humanitarian aid to the contras, the officials said.

They said the congressional panels investigating the affair have prepared subpoenas for documents and testimony from Robert Duemling, director of the Nicaraguan Humanitarian Assistance Office (NHAO), and have taken sworn depositions from several of Duemling's aides. It is unclear whether the subpoenas have been served. Duemling declined to comment.

Abrams, who is assistant secretary of state for inter-American affairs, recently hired a lawyer, W. DeVier Pierson. Pierson said the independent counsel's office had not contacted his client, but had told State Department legal advisers that it wants to question Abrams.

"Abrams appears to be a central figure in this entire operation, holding a very responsible position in the State Department, and Congress will be interested in what he has to say," said Rep. Dante B. Fascell (D., Fla.), chairman of the House Foreign Affairs Committee and vice chairman of the House Iran-contra committee. Abrams is scheduled to testify before the Iran-contra committee in late May or early June.

Abrams' staff remains confident that he has done nothing wrong. "There is clearly a lot of interest among the investigators in talking to Abrams, but we do not feel he is a specific target of investigation or

that he faces legal trouble, because he has not been involved in anything illegal," said an Abrams aide, who asked not to be identified.

Abrams' name has come up in congressional and FBI questioning of five major figures who have admitted helping North assist the contras militarily at a time when Congress had banned such assistance:

- Robert W. Owen, North's personal courier. Abrams approved — over Duemling's objections — granting Owen a \$50,000 contract as a consultant with the NHAO. Owen since has been linked to the misuse of NHAO funds to purchase weapons for the contras. Congressional investigators are expected to question Owen this week about several memos Owen wrote to North in which he mentioned Abrams.

- Carl R. "Spitz" Channell, a conservative fund-raiser who pleaded guilty last month to defrauding the government of tax revenue, a federal charge that stemmed from his contra fund-raising activities. Documents FBI agents seized in Channell's office include a note from Abrams thanking Channell for his help in persuading Congress to approve contra aid last year.

- Richard Miller, Channell's public relations agent who this month also pleaded guilty to the tax-fraud charge. Miller assisted the contras at a time when he also was working under a secret State Department contract signed by one of Abrams' assistants.

- Lewis Tambs, former ambassador to Costa Rica. He resigned in December after being linked to North's supply network. He has told reporters and investigators that he received instructions from Abrams and North to help the contras open a military front in southern Nicaragua.

- Tomas Castillo, former CIA station chief in Costa Rica. Castillo, a pseudonym, told federal investigators that Abrams appeared to know more than he claimed publicly concerning North's contra supply system.

Congressional aides close to the investigation, who asked not to be identified, say investigators are particularly interested in Abrams' statements to Congress last year.

On at least two occasions, Abrams made statements that now appear to be misleading, the aides said.

They include an Oct. 15 session before the House Foreign Affairs subcommittee on Western Hemisphere affairs, where Abrams denied that a cargo plane downed over Nica-

ragua had any U.S. government connection, and a Nov. 25 appearance before the Senate Intelligence Committee, where Abrams failed to tell what he knew when asked about what aid other countries might have provided the contras.

After it was revealed that the cargo plane belonged to North's secret supply network, Abrams told reporters that he did not know the extent of North's involvement.

On Dec. 8, Abrams apologized to the Senate Intelligence Committee for not mentioning a \$10 million contribution from the sultan of Brunei when, on Nov. 25, he was asked about third-country aid to the contras. He said he had not understood the question.

An Abrams aide said the investigation would prove that Abrams did not know of links between North's network and many of the people who also had ties to Abrams.

The aide said Abrams did not know, for example, that Owen was a key liaison between North and the contras when he approved his NHAO contract. Owen told the congressional committees on Thursday that he carried money and maps between North and contra leaders.

The Abrams aide said Abrams knew Channell only as someone who was helping lobby Congress on behalf of the contras and did not know that some of the money Channell raised from wealthy contributors was being used to purchase weapons.

The aide said he did not believe his boss could be tied to Miller. Miller's company, International Business Communications Inc., had a secret, \$276,186 contract with the State Department's Office of Public Diplomacy, which a close Abrams aide, Robert Kagan, signed Sept. 2.

During the period the contract was in effect, IBC also secretly funded the expenses of the contras' office in Washington.

The Abrams aide noted that the contract Kagan signed had been initiated the previous year when the Office of Public Diplomacy was supervised not by Abrams but by the National Security Council. "Kagan signed the contract only because there was a commitment to the contract already," the aide said. "Abrams is not guilty of that or anything else."

The aide said Tambs is wrong in contending before the Tower commission earlier this year that Abrams instructed him to aid the contras in Costa Rica.